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WEATHER FORECAST.

Showers to-day, followed by much cooler to-night; to-morrow fair and cooler.
Highest temperature yesterday, 67; lowest, 57.
Detailed weather reports will be found on editorial page.

VOL. LXXXVII.—NO. 48.—DAILY.

LLOYD GEORGE SETS PARTIES PLANNING GENERAL ELECTION

All Depends on Unionist Meeting, Where Open Split Is Possible.

LEADERS FOR PREMIER

Chamberlain and His Colleagues May Join Chief in Appeal to Country.

KEEPS INTENTION SECRET

Slips Away From Downing Street After Arranging for Speech at Newcastle.

Special Cable to THE NEW YORK HERALD.
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New York Herald Bureau.
London, Oct. 16.

A political upheaval such as England has not known in many years has resulted from Prime Minister Lloyd George's outspoken defence of his policy in Manchester Saturday. To-night all parties are planning their campaigns for a general election, which appears certain about the middle of November.

In the midst of threats, promises and forebodings there still looms the dominant personality of the Prime Minister, who has assumed a secretiveness even more dramatic than his Manchester declarations. He has no party, but the issue is causing turmoil in all parties, and it is his cue to say what, when and how a step will be taken to shape the nation's destinies. But with the whole country waiting to hear him speak, this afternoon he slipped quietly out the back door of Downing Street and motored to the country, thereby disappointing a big crowd that had gathered.

The assumption that Mr. Lloyd George has decided to resign or to ask the King to dissolve Parliament is premature, THE NEW YORK HERALD correspondent is informed. The decision turns upon Thursday's meeting of the Unionist members of Parliament, with their leaders, at the Carlton Club.

After a nervous day of anxious meetings the majority of the Unionists have decided to follow Austen Chamberlain, who in his speech on Friday said the party must choose between labor and the coalition. With the Government leaders for a continuation of the coalition, either in the present or a modified form, stand also the Earl of Balfour, Lord President of the Council; Winston Churchill, Colonial Secretary; Sir Laming Worthington-Evans, War Secretary; Marquis Curzon, Secretary for Foreign Affairs, and Viscount Birkenhead, Lord Chancellor—members of the Cabinet, who, Mr. Chamberlain said at Birmingham, worked with the Prime Minister in full accord.

Chamberlain to Preside.

Mr. Chamberlain, as titular head of the Conservatives, will preside at Thursday's caucus, and if he obtains a vote of confidence it will be Mr. Lloyd George's next move. If Mr. Chamberlain is defeated Mr. Lloyd George probably will resign. If there is a hopeless split in the party Mr. Chamberlain and his Unionist colleagues are almost certain to resign and cast their lot with the Prime Minister in whatever action he takes.

In this latter event there is likely to arise a strong center or coalition party, with the distinguished leaders rallying together and putting their position before the country, with Mr. Lloyd George at their head.

So spontaneous was the greeting extended the Prime Minister wherever he went Saturday and Sunday that his friends say he can sweep all districts on a Lloyd George platform. Observers think it not unlikely that the Conservatives, Liberals and Labor, if thrown down, will make a popular appeal like that made by Theodore Roosevelt in the United States in 1912.

On Saturday Mr. Lloyd George smelled the gunpowder of a campaign, and both friends and enemies agree he is not through yet, and that even if he is forced to resign he will be a formidable factor in whatever Government comes in. While the plot is thickening even his most relentless enemies are guarding against a surprise encircling movement.

Premier Sees Colleagues.

Downing Street was more active today than it ever was in the gravest hours of the Near East complications. This morning Mr. Lloyd George met Mr. Chamberlain, Mr. Churchill, Lord Birkenhead and Sir Robert S. Horne, Chancellor of the Exchequer. This afternoon Unionist leaders, including Sir George Younger, the titular head of the party, who forestalled the Prime Minister's plans for an election early in the year, and also Lord Balfour, Lord Birkenhead, Lord Curzon, Sir Laming Worthington-Evans and the First Lord of the Admiralty, were in the house.

Continued on Page Three.

Error Prices Flat at \$10; Police Have to Stop Mob

A CROWD of more than seventy-five men and women crowded about the home of Mrs. John Calder, at 295 East 160th street, yesterday, shouting that they wanted to rent the five room and bath apartment which an advertisement in a Bronx newspaper said she would let for \$10 a month. Mrs. Calder telephoned the police, and the officers arrived and told the flat hunters there had been a typographical error; that the advertisement should have read \$40 a month. Most of the crowd then went away from there.

HOOVER SAYS EUROPE MUST PAY WAR DEBT

Declares Cancellation Would Undermine International Good Faith.

HE DEPRECATES DESPAIR

Believes No Public Official Favors Remission of the Obligations.

TOLEDO, Ohio, Oct. 16.—Cancellation of the war loans by the United States to the allied and associated nations would undermine the whole basis of international good faith, Secretary of Commerce Hoover, a member of the Allied Debt Commission, declared to-night in an address here. He added that he did not believe any public official, either in the United States or any other country, could or should approve their cancellation.

"Proposals have been repeatedly made over the last three years that the loans from our Government to foreign countries during the war should in part or in whole be canceled, either for moral reasons or in the interest of economic stability," he said. "Less sweeping proposals have been made that the payments of interest and installments as required by Congress should be further postponed. The question is one of the most complex and difficult in character that the American people have ever confronted. It greatly concerns American commerce and I feel that widespread discussion of great value to the better understanding of the economic issues involved. Full understanding can be advanced only by full and frank discussion."

No Need for Despair.

"I have the feeling that many men in Europe are thinking of these things in terms of despair, due to their immediate difficulties. There is no need for despair in the future of Europe if it can maintain peace. Its hard working population, its tremendous industries, its enormous productivity and its magnificent intelligence, its fabulous development of skill and scientific knowledge, are vital forces that must win if they have half a chance.

"These economic problems are problems of great value to the better understanding of the economic issues involved. Full understanding can be advanced only by full and frank discussion."

Debts to Taxpayers.

"These loans are, in fact, debts owing to our taxpayers. These loans were made at the urgent request of the borrowers and under their solemn assurances of repayment. The loans were individual to each nation. They have no relation to the national or international debt of the United States. The American taxpayer did not participate in repayments and acquired no property or any other benefits under the treaty, as did our debtors. There is no question as to the expressed undoubted obligation. I do not believe any public official, either of the United States or any other country could or should approve their cancellation."

Proposals Regarding Interest.

"The proposals for further postponement of payment of interest, for a certain number of years, arise from the belief that certain countries cannot presently make these payments at present without undue strain, or that postponement of interest would contribute to general economic stability and the more rapid recovery of these countries, in the event of a new war."

Continued on Page Nine.

TRANSIT DEADLOCK GREATER THAN EVER AFTER 'LOVE FEAST'

Mayor and McAneny Wrangle Bitterly at Public Hearing.

MAY REFUSE FUNDS

Estimate Board Insists Hyman's Program Be Chosen.

HECKLING IS FREQUENT

'You Can't Put That Bunk Over Here,' His Honor Warns.

After an acrimonious public hearing in the City Hall yesterday the deadlock between the Board of Estimate and the Transit Commission on the city's policy in the matter of new subway construction appeared to have become more hopeless than ever.

Mayor Hylan and his board associates laid down the ultimatum that they would refuse to appropriate funds for the building of new lines unless routes could be tied up with lines which the city hopes to recapture or else for new lines with the specific proviso that they were to be operated municipally as well as municipally owned.

George McAneny, chairman of the Transit Commission, declared such an attitude if persisted in meant an absolute cessation of new construction for the next five years. Litigation, which probably would follow efforts to enforce the city's rights of recapture, very likely would extend the time still longer. On the other hand, if new and segregated lines were to be routed exclusively for municipal operation, irrespective of their relation to lines already operating under private control, this would mean a disintegration of the unification already attained and a multiplication of fares.

The Mayor, Comptroller Craig and Aldermanic President Murray Hubert, while Mr. McAneny was trying to answer their questions, repeatedly heckled him with interruptions. The Mayor several times accused him of being at the hearing, not in good faith, but in the hope of "making votes for Gov. Miller, to whom you owe your job."

Pence Dove Takes Wing.

"The people are on to you, McAneny," shouted Mayor Hylan. "You may talk your head off but the people no longer pay any heed to you. When we get you and Harkness and O'Ryan out of office there may be some chance for the city to get some of the profits from rapid transit that go now into the pockets of the corporations."

The hearing was a resumption of that ten days ago on the Transit Commission's route for the proposed cross-town line extending from Long Island City, Queens, to Bedford avenue, Brooklyn. The commission is seeking the approval and consent of the Board of Estimate to this feature of its plans. The difference between the two hearings was this: Whereas ten days ago the dove of peace seemed to be brooding above the love feast which appeared imminent, the bird yesterday fled shrieking from a scene that at times was suggestive of a Kilkenny picnic.

Before Mr. McAneny took the floor half a dozen representatives of Brooklyn civic bodies had talked earnestly for the route. Some of them took kindly to Mayor Hylan's repeated interpolations on the vital importance of municipal operation, as well as city ownership, and some of them did not. The one thing on which they all agreed was the supreme importance of action looking to the speedy construction of the line.

Then Rumpus Begins.

Frederick L. Cranford, speaking for the transit committee of the Brooklyn Board of Commerce, told the Mayor flatly: "This question you are raising now of municipal operation, in my opinion, is intended only to delay. You have before you now, and have had for years, a perfectly practical plan of re-alignment."

That started the rumpus. "You are wholly misinformed!" shouted Comptroller Craig.

"You can't get away with that kind of talk here," bawled the Mayor.

"You told me I might express myself frankly," retorted Mr. Cranford, "and I am saying that you are injecting this point only for further delay."

When Mr. McAneny was called he protested that all these questions of where the line should run, and whether it was to go was quite beside the mark, as this matter was definitely fixed by statute and could not be changed for a number of years, at least.

Mayor Hylan wanted to know who would operate the lines at the end of the line.

Continued on Page Five.

Philadelphia Solves 97 Of 101 Murders This Year

Special Dispatch to THE NEW YORK HERALD.
PHILADELPHIA, Oct. 16.—There were 101 murders in this city in the first nine and a half months of this year, four of which remain unsolved. There were 112 arrests and eighteen persons are at large as fugitives.

The 1921 figures, 101 for the entire year, show eighty-eight persons arrested and seven murders unsolved. Six still are fugitives.

Lieut. William Belshaw, in charge of the local homicide squad, attributes the increase of murders to the lack of laws governing the sale of firearms.

Despite the increase of murders in this city, Belshaw says the record of both New York and Chicago show a much larger increase and many more unsolved crimes.

SHOOTS MAN WHO BALKS AT DIVORCE

Other Woman Had Consent of Wife to the Affection of O. M. Martelliere.

AETNA BUILDING IS SCENE

Stenographer Sees Visitor to Office Seriously Wounded.

Mrs. Paulette Saludes, a French woman who has been in the United States for several years, shot and seriously wounded Oscar M. Martelliere yesterday afternoon as he sat behind his desk in his insurance brokerage office in the Aetna Building, 100 William street, because he had refused to divorce his wife and marry her. She fired five shots, three of which entered his abdomen before he slid out of the chair, the other two piercing his chest. Later the woman surrendered to the police in the office of her attorney, James A. Turley, in the Woolworth Building.

The shooting, which was witnessed by Miss Gertrude Thompson, the broker's stenographer, developed an unusual triangle in which only last Saturday Martelliere's wife, who lives with a six-year-old daughter at 74 La Salle street, told Mrs. Saludes that she would not object if her husband got a divorce, as she did not love him and he had not helped to support her or their child for several years. At that time Mrs. Saludes told Mrs. Martelliere that if Martelliere did not marry her something terrible would happen to him.

Leaves Note in Office.

Mrs. Martelliere thought this over for two days, and yesterday afternoon about 1 o'clock she telephoned her husband and told him what the French woman had said. Martelliere immediately left his office and a few moments later Mrs. Saludes entered. She rushed by Miss Thompson and searched the broker's desk. Then she went away, leaving this note:

"As you don't want to put a stop to it I will. Am going to see Mr. Turley, who is waiting for me, right away. You will not be long to land in jail."

Soon after Mrs. Martelliere telephoned and asked if Mrs. Saludes had left. Miss Thompson said that she had, and about 2:30 o'clock Martelliere entered his office and sat at his desk. He was there when Mrs. Saludes came back about 3 o'clock. Miss Thompson told the police that the woman, with one hand in her husband's pocket, approached Martelliere and said:

"Well, are you going to do what I want you to do?"

"No, I am not," he replied.

"Then you shall suffer!" the French woman cried.

Victim Wounded Fatally.

She drew a 25 caliber revolver from her handbag and fired before Martelliere could rise. After she had fired five shots she put the weapon back in her bag, turned and walked out of the office. Miss Thompson ran into the corridor and screamed and some one telephoned for an ambulance, which removed Martelliere to the city hospital.

There it was said he probably would die. Detectives learned that the French woman had walked down one flight and caught an elevator at the eighth floor and then she walked to the office of Mr. Turley, who telephoned Headquarters and said that his client wanted to surrender.

Martelliere was rushed to the operating table at the hospital, but first made a statement to the police that the woman, who he said is known also as Miss Delorme, had shot him because he would not divorce his wife and marry her. At the Old Slip station Mrs. Saludes, on the advice of her lawyer, would not discuss the case.

Mrs. Martelliere told the detectives that she last lived with her husband two months ago at 433 West 124th street, and that he then went to live in Freeport. She had known Mrs. Saludes about three years, she said, their husband having been in the lumber business together. Eighteen months ago Saludes went to France, leaving her with a home in Brooklyn, which she told the police she gave to Martelliere.

"I am not much inclined to be sorry for my husband," Mrs. Martelliere said. "During our seven years of married life we have been separated a number of times and I have been obliged to go to work to support our baby girl. When this woman's husband went to France she appealed to me for help. She came to my house last Saturday and told me she and my husband were madly in love with each other and that she could not live without him. I told her I would not stand in their way, as my husband and myself had ceased to care for each other and it did not make any difference to me what it did."

CLARK'S CRUISE ROUND THE WORLD.

Personal manager, experienced staff. Clark, 410 Times Square, N. Y. C.

MILLER GIVES HIGH PRAISE TO HARDING FOR ENDING WASTE

Cites Budget Procedure as Example in Running Government.

HIS ANSWER TO SMITH

Declares in Administrative Machinery It's Man That Counts.

'GOOD FELLOW' IS COSTLY

Democratic Candidate Charged With Putting \$54,000,000 New Taxes on People.

Special Dispatch to THE NEW YORK HERALD.
BINGHAMTON, Oct. 16.—Gov. Miller, who spoke here to-night, said that if Mr. Smith cared to examine the budget making performance of President Harding and Gen. Dawes he might be able to see that it's the caliber of the man running the machinery, not the machinery itself, that counts.

In citing the record of the national Administration in putting to an end 132 years of logrolling and legislative trading by making department heads and bureau chiefs toe to the mark, Gov. Miller took occasion to pay to the President one of the handsomest compliments ever extended to the gentleman in the White House. Speaking of Mr. Harding's courage in stopping extravagance and making the spenders like the procedure, Mr. Miller referred to Gen. Dawes' great work as having been made possible by "the firm, patient, constant, steadfast courage of President Harding." This reference made the rafters ring.

Hitherto the Governor had seen no sensible reason to drag in the Washington Government just to follow the old tradition of handing out bouquets but to-night he had a reasonable and proper pretext for praising the President, since the budget saving accomplished by Gen. "Hell Maria" and the President was peculiarly apropos of his own argument and his own administrative accomplishments.

Quotes Gen. Dawes' Speech.

The Governor had just read the complete text of Gen. Dawes' remarkable speech as delivered in New York last Friday night and as published in full by THE NEW YORK HERALD. It struck him as precisely what the doctor ordered and he gave his Binghamton audience diverting extracts of the Dawes talk.

Mr. Smith says that executive budget by constitutional amendments is the only way to stop the log rolling which has been going on," said the Governor. "Well, we have heard a good deal of late about a Federal executive budget. The former Director of that Budget recently made an address before the National Budget Committee on the subject of how the budget works."

"I would like to have them have the old tradition of handing out bouquets but to-night he had a reasonable and proper pretext for praising the President, since the budget saving accomplished by Gen. "Hell Maria" and the President was peculiarly apropos of his own argument and his own administrative accomplishments."

Not Concerned With Mrs. Hall. Hall is understood to have cautioned Mrs. Mills not to mind what Mrs. Hall might say from time to time. There is also in the letters reference to possibilities of the future.

In connection with the salutation, "My Dear Gypsy," there is an interesting sidelight on Hall's character. He wore when he died a tie clasp on which was the initial "G" and this was buried with him.

When Stricker and Beckman questioned Mrs. Hall they asked her about this clasp and were told that Hall had found it in the church and supposed some one had lost it. He posted a notice that it had been found and then, clasp at all, but that it was a present from Mrs. Mills and that the "G" stood for his pet name for her, "Gypsy."

One of the letters from Mrs. Mills to Hall reveals that they visited Manhattan Beach together not long before they were killed. The woman referred to the respect shown to Hall wherever he went, so presumably he was wearing his Roman collar. Mrs. Mills speaks of the pride she felt when some one addressed Hall as "doctor," and it is clear that she was highly pleased that they had been able to spend the day away together without any one knowing it.

This may have been one of the occasions when Mrs. Mills was supposed to visit the dentist. It was ascertained to-night that on those occasions she was not supposed to be going alone, but told her own people and others that her sister, Auguste, was to accompany her. As a matter of fact only Hall accompanied her.

Reports vary regarding how many of these letters there are. Florence North, the woman lawyer who is aiding Charlotte, asserted to-day that there were between ten and fifteen, and then reduced the number to eight letters and six postcards. From other sources, which the Stricker-Beckman combination has not tapped, it is reported that there are as many as 100. Miss North said the letters, which she refused to make public, are platonic in their tone. Some of them were from Islesford, Me., where the Halls passed August of this year, and the postmark is on some of the letters.

Henry Stevens, brother of Mrs. Hall, widow of the clergyman, has been recalled here and will arrive tomorrow for further examination. His every move has been watched since he was here before.

It has been ascertained that the gray suit that Stevens sent from here at the suit that Stevens sent from here at the

Continued on Page Seven.

DEWEY'S 'DEW-TONE' TONICS.

Hold only at 125 Fulton st., N. Y. C.

ARRESTS IN HALL CASE PROMISED IN 24 HOURS; MORE LOVE NOTES OUT

Letters Between Clergyman and Mrs. Mills Sprinkled With 'Babykins' and 'My Dear Gypsy'—His Plans for Divorce and Elopement Shown—Man's and Woman's Handkerchiefs Are New Clues.

Special Dispatch to THE NEW YORK HERALD.

NEW BRUNSWICK, N. J., Oct. 16.—Enraged that two appeals should have been made to Gov. Edwards for outside aid because of their inability to show progress, Prosecutor Joseph E. Stricker of Middlesex county and Prosecutor Azariah M. Beckman of Somerset county are preparing to make a round-up in the Hall-Mills murder mystery.

The prosecutors are expected to move within twenty-four hours and to make two and possibly three arrests.

A woman will figure prominently in the expected developments. The theory on which the prosecutors and their detectives—their purposely are leaving out the State troopers—are proceeding is that two men and a woman were concerned and that it was the woman who straightened out the bodies and arranged the clothing.

Several more letters which passed between Mr. Hall and Mrs. Mills came to light to-night, showing the relations between the murdered man and woman. Most of those discovered so far were written by the clergyman. In all of them he professed love of the most impassioned sort for her, applying to her many terms of endearment.

The terms "Gipsy Queen," "Dear, wonder heart" and others of similar import occur frequently through the missives. There also are frequent references to "our road," which in the light of developments is taken to mean the De Russy lane, in which the bodies were found.

The letters are undated, and many of them are signed "D. T. L." which it is explained, stands for "Deine Treue Liebe," the German for "Thy True Love." In letters thus signed frequent appointments are made for meetings in "our road," and in them the clergyman also makes many allusions to prayer in connection with his love for the recipient of the letters.

Sweet Pea Blossoms Enclosed With Endearing Notes.

In some of the letters, also, the writer enclosed a sweet pea blossom, and throughout they are filled with poetical allusions, and the phrasing rises to those heights of hyperbole to which impassioned lovers seem addicted.

Another letter, which was also discovered last night and which the authorities consider of considerable significance, urged Dr. Hall to put an end to the friendship between himself and Mrs. Minnie Clarke, whose name has figured only a little in the case. The author of this letter was not divulged.

The letter is said to refer to flowers sent by Mrs. Clarke to Hall. Mrs. Clarke, who is about 35 and active in parochial work, has been questioned several times here since the murder. She formerly was a close friend of Mrs. Mills.

More lines from the "Babykins" letter, the last thing Mrs. Mills is believed to have written before she was killed, also were revealed to-night. The letter says:

"You are a true priest. I am merely your physical inspiration. Do I love you too much? I know that now I could leave you; yes, even your physical presence, and go into a convent. There I wouldn't see any one touch you, call you 'dear,' rub your tired body, sew your torn trousers. Yesterday I was happy, in a way, in the boat and in the water; but on the way home I was thinking hard. Oh, my darling babykins, what a muddle we are in; but I will be content. I will."

In the letters Hall was saluted as "My Dear Gipsy" and plans were discussed for his getting a divorce. The suggestion was advanced that Mrs. Mills should leave her sexton husband and go to an Episcopal home while the divorce matter was in process, remaining there a decent length of time afterward. Then, according to one proposal, the pair were to go to Germany and thence to the Orient.

Not Concerned With Mrs. Hall. Hall is understood to have cautioned Mrs. Mills not to mind what Mrs. Hall might say from time to time. There is also in the letters reference to possibilities of the future.

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Continued on Page Two.

BRITAIN REFUSES TO CONSIDER EXTENSION OF THREE MILE LIMIT

Principle of International Law Too Important to Discuss Infringing It.

ANSWERS HUGHES NOTE

Sympathizes With U. S. Efforts to Stop Smuggling of Liquor.

HOPES IT WILL SUCCEED

Will Investigate List of Alleged Offenders Operating From West Indies.

Special Dispatch to THE NEW YORK HERALD.
New York Herald Bureau.
Washington, D. C., Oct. 16.

Great Britain refuses absolutely to consider a reciprocal treaty arrangement with the United States whereby the three mile limit of territorial waters would be extended to facilitate the seizure of liquor smugglers operating off American shores.

The refusal of the British Government to extend the limit to twelve miles was communicated to Secretary of State Hughes to-day by Sir Auckland Geddes, the British Ambassador.

The British answer, dated October 13, was in reply to the American note of June 26 last, in which Secretary Hughes asked cooperation to prevent abuses of clearance papers and false registries, and suggested the extension of territorial waters.

The British Foreign Office instructed Ambassador Geddes to inform the State Department that the principle of international law embodied in the three mile limit was too important to consider an infringement. Great Britain had always opposed extension, and the situation confronting the United States is not regarded as sufficient ground for a departure from the "principle."

False Papers Involved.

The note closed with the hope that the smuggling is temporary and that the United States in time will be able to check it. With regard to the abuses, such as double clearance papers given by port authorities, the false transfer of American ships to British registry and more careful supervision of cargoes, Great Britain extended sympathy and promised cooperation. The Governor of the Bahamas, one of the pivots of the smuggling traffic, prior to receipt of the American note, had been requested to eliminate abuses, and further steps will be taken along the same line.

Secretary Hughes suggested that in view of the fact that American citizens known to be engaged in "nefarious" traffic had no difficulty in getting smuggler vessels transferred to the British flag, the British Government require a certificate from the United States Shipping Board before permitting change of registry.

All the British Government promises in this respect is that where doubt as to good faith exists non-production of a certificate, as suggested, will be ground for suspicion, whereupon the proposed transfer may be referred to the Board of Trade.

Hope of Extension Ends.

The British answer disposes of the possibility of a treaty which would extend the three mile limit and will, it is believed, end the efforts of the State Department along this line as the other European Governments are likely to follow the British lead.

It also justifies the soundness of the position taken by the Administration when it called back agents sent by Prohibition Commissioner Haynes to board vessels beyond the three mile limit.

The note will put the question on such legislation as is proposed in the bill introduced in the Senate by Senator Sterling (N. D.), which grants authority to search vessels up to twelve miles, notwithstanding international law and the British "three mile" limit.

Secretary Hughes submitted to the British Government a list of ships suspected of smuggling. These British note said, are being investigated and confirmed proceedings against some of them under the merchant shipping act of 1906 is in prospect.

TEXT OF HUGHES AND GEDDES LIQUOR NOTES

British Reply Is To One Sent on June 26.

Special Dispatch to THE NEW YORK HERALD.
New York Herald Bureau.
Washington, D. C., Oct. 16.

Following is the full text of the British and American notes dealing with the question of an extension of the three mile limit for the search and seizure of ships carrying liquor. The British note was handed to Secretary Hughes to-day and is in answer to one the Secretary handed to the British Ambassador on June 26. The British note reads:

Sir: Mr. Chilton duly forwarded to His Majesty's Government copy of your note of June 26 last in which certain suggestions were made for cooperation between the British and United States authorities with the object of restricting the smuggling of alcoholic liquor into the United States.

I am now directed to inform you that His Majesty's Government have naturally been desirous of preventing, by every means within their power, any breaches of the law in the Bahamas or elsewhere